

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04 SIL-01

DODE-00 PA-01 USIA-06 PRS-01 L-02 H-02 /086 W

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R 221444Z APR 75

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 0413

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USMISSION OECD PARIS

AMCONSUL BELFAST

AMCONSUL EDINBURGH

AMCONSUL LIVERPOOL

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E.O. 11652: N/A

TAGS: PINT, EGEN, UK

SUBJECT: HEALEY BUDGET SURVIVES STORMY PASSAGE

REF: LONDON 5830

1. DEBATE OF CHANCELLOR DENIS HEALEY'S CONTROVERSIAL  
BUDGET (REFTEL) ENDED APRIL 21 WITH GOVERNMENT WINNING  
FIVE SEPARATE DIVISIONS ON AMENDMENTS WHICH, IF APPROVED,  
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WOULD HAVE THREATENED HEALEY'S FINANCIAL PLANS. MARGIN

OF GOVERNMENT VICTORY VARIED FROM 9 VOTES ON TORY-SPONSORED AMENDMENT TO ALLOW MODIFICATIONS OF CAPITAL TRANSFER AND ESTATE DUTY TAXES, TO 275 ON BUDGET ITSELF. LATTER VOTE WAS FORCED BY SCOTTISH NATIONAL PARTY.

2. AS YET WE DO NOT HAVE DETAILED BREAKDOWN OF DIVISION VOTES, BUT WILL FORWARD THIS INFORMATION BY AIRGRAM WHEN IT BECOMES AVAILABLE. IT IS EVIDENT, HOWEVER, THAT ANY DEFIANCE OF THE PARLIAMENTARY LABOR PARTY'S (PLP) THREE LINE WHIP WAS MINIMAL AND DISCRETE RATHER THAN GENERAL. APRIL 22 PRESS ATTRIBUTES GOVERNMENT VICTORY ON CAPITAL TRANSFER/ESTATE DUTY TAX AMENDMENT TO ABSTENTION OF ULSTER UNIONISTS. THEY REPORTEDLY DECIDED NOT TO OPPOSE ANY MEASURE WHICH WOULD REDUCE PUBLIC BORROWING.

3. PASSAGE OF UNAMENDED BUDGET REPRESENTS SIGNIFICANT POLITICAL ACHIEVEMENT FOR PRIME MINISTER WILSON AND ONCE AGAIN ILLUSTRATES THAT IN THE CRUNCH LABOR PARTY UNITY GENERALLY PREVAILS OVER DOCTRINAL OR PROCEDURAL DIFFERENCES, THE EC BEING THE MAJOR EXCEPTION TO THIS RULE. THE TUC, SIMILARLY, HAS RELUCTANTLY ACCEPTED THE BUDGET, BUT WILL CONTINUE ITS EFFORTS OBTAIN MODIFICATIONS (SEE SEPTEL).

RICHARDSON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** GOVERNMENT BUDGET, ANTIINFLATIONARY PROGRAMS, CENTRAL LEGISLATURE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 APR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LONDON06059  
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**Document Unique ID:** 00  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750141-0275  
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**Office:** ACTION EUR  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
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**TAGS:** PINT, EGEN, UK  
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